

109TH CONGRESS
2D SESSION

H. R. 5483

AN ACT

To increase the disability earning limitation under the Railroad Retirement Act and to index the amount of allowable earnings consistent with increases in the substantial gainful activity dollar amount under the Social Security Act.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Railroad Retirement
3 Disability Earnings Act”.

4 **SEC. 2. REFORM OF DISABILITY EARNINGS LIMITATION**
5 **PROVISIONS.**

6 (a) IN GENERAL.—Section 2(e)(4) of the Railroad
7 Retirement Act of 1974 is amended—

8 (1) by striking “\$400 in earnings” in the first
9 sentence and inserting “the monthly allowable earn-
10 ings as defined in the section”;

11 (2) by striking “\$4,800” in the fourth sentence
12 and inserting “the amount of earnings computed by
13 totaling the monthly allowable earnings as deter-
14 mined under this section for each month in the
15 year”; and

16 (3) by striking the fifth sentence and inserting
17 “If the total amount of such individual’s earnings
18 during such year (exclusive of earnings for services
19 as described in subdivision (3) and after deduction
20 of disability related work expenses) is in excess of
21 the annual allowable earnings amount, the number
22 of months in such year with respect to which an an-
23 nuity is not payable by reason of the first and third
24 sentences shall not exceed the number of months de-
25 rived by dividing the amount by which such annual
26 earnings exceed the annual allowable earnings

1 amount by the monthly allowable earning amount
2 determined under this section. If the computation
3 under the preceding sentence results in a remainder
4 greater than or equal to one-half, the number of
5 months for which an annuity is not payable as deter-
6 mined under the preceding sentence shall be in-
7 creased by one. The annual allowable earnings
8 amount shall be computed by totaling the amount of
9 monthly allowable earnings as determined under the
10 first sentence of this subdivision for each month in
11 the calender year. If the amount of the individual's
12 annuity has changed during the calendar year, any
13 payment of annuities which become payable solely by
14 reason of the limitations in the preceding three sen-
15 tences shall be made first with respect to the month
16 or months for which the annuity is larger. For pur-
17 poses of this subdivision, 'the monthly allowable
18 earnings' shall be \$700, except that for each year
19 after 2007, 'the monthly allowable earnings' amount
20 shall be the larger of the amount for the previous
21 year or the amount calculated by multiplying \$700
22 by the ratio of the national average wage index for
23 the year 2 calender years before the year for which
24 the amount is being calculated to the national aver-
25 age wage index for the year 2005. The amount so

1 computed will be rounded to the next higher multiple
2 of \$10 where such amount is a multiple of \$5 but
3 not of \$10 and to the nearest multiple of \$10 in any
4 other case.”.

5 (b) EFFECTIVE DATE.—The amendments made by
6 this section take effect January 1, 2007.

Passed the House of Representatives September 27,
2006.

Attest:

Clerk.

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